



Public Service Commission of Wisconsin

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PSC Looks at Xcel Energy's Fuel Costs

MADISON – The Public Service Commission (PSC) will address a potential fuel cost decrease for Northern States Power Company (d/b/a Xcel Energy). If the PSC determines that average fuel costs for the year have gone outside Xcel Energy's forecasted range, customers could possibly see a refund.

"Recently there has been some moderation in the natural gas market," said Chairperson Dan Ebert. "This downward pressure on costs is good news for both the utilities and ratepayers and could mean reduced energy costs for customers."

In January, the Commission trimmed a rate increase requested by Xcel Energy and found that almost half of the increase was largely due to the dramatic increase in natural gas costs, an unregulated commodity. As part of the Commission's decision, it required Xcel Energy to provide quicker refunds to their customers, subject to 11 percent interest, if natural gas prices fell below their expected range.

"We reviewed Xcel's rate request this past winter, at a time when natural gas prices were unusually high," said Commissioner Mark Meyer. "At that time, we put in place a trigger that would benefit customers should gas prices return to lower levels. That trigger has tripped, and this is the first step toward potential refunds for customers."

Last month, Xcel Energy filed a fuel report with the PSC which indicated that fuel costs have recently gone outside of the established monthly range. The PSC will now audit the utility to determine if fuel costs for the year will be below the threshold and if customers are subject to refund with 11 percent interest.

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